

Minimum family rental units = 50%(Minimum Rental Requirement) = 50%(9) = 4.5 = **5**

Maximum age-restricted units = 25%(GSO) = 25%(35) = 8.75 = **8**

Maximum bonus credits = 25%(GSO) = 25%(35) = 8.75 = **8**

Existing Credits

Dumont has a total of seven rehabilitation credits and 200 existing credits from group homes and senior facilities.

Rehabilitation Credits (7)

COAH's rules require hard costs to average at least \$10,000 per unit and include the rehabilitation of a major system³⁵ in order for a home to qualify as a credit. Bergen County's Office of Community Development runs a Home Improvement Program for residents. Since April 1, 2000 a total of seven Dumont homeowners have utilized the program. All seven of the homes are owner occupied and all homes were raised to code. Liens are held on the home until they are paid in full.³⁶ The chart below shows the seven homes where rehabilitation work has been completed and that the average expenditure has been over \$13,000.

BERGEN COUNTY HOME IMPROVEMENT PROGRAM INFORMATION				
Address	Unit type	Amount Spent	Final Inspection Date	Work Completed
Derby Ln.	Single Family	\$6,950.00	9.26.00	Driveway
W. Quackenbush Ave.	Single Family	\$17,500.00	6.7.00	Smoke Detectors, Roof, Gutters, Leaders, Windows, Electrical, Siding
New Milford Ave.	Single Family	\$4,003.50	8.3.00	Sewer Line Repairs
Glen Ave.	Two Family	\$6,150.00	7.24.00	Smoke Detectors, Plumbing Repairs, Repair Furnace Oil Line
Lenox Ave.	Single Family	\$16,750.00	7.24.00	Smoke Detectors, Storm Door, Roof, Gutters, Leaders, Windows
Sherwood Pl.	Single Family	\$17,500.00	4.29.03	Furnace, Storm Doors, Windows, New GFI Run
Lincoln Ave.	Single Family	\$22,450.00	3.10.10	Roof, Steps, Entry Doors, Window
Average Spent		\$13,043.36		

Source: Fax from Barbara Ruzanski, Secretary Bergen County Home Improvement Program, received on August 27, 2013.

Credits (200)

I. David F. Roche Apartments

David F. Roche apartments is located at 2 Aladdin Avenue in the Borough of Dumont on Block 1105, Lot 16. The six story public housing building is owned by Housing Authority of Bergen County (hereinafter "HABC").

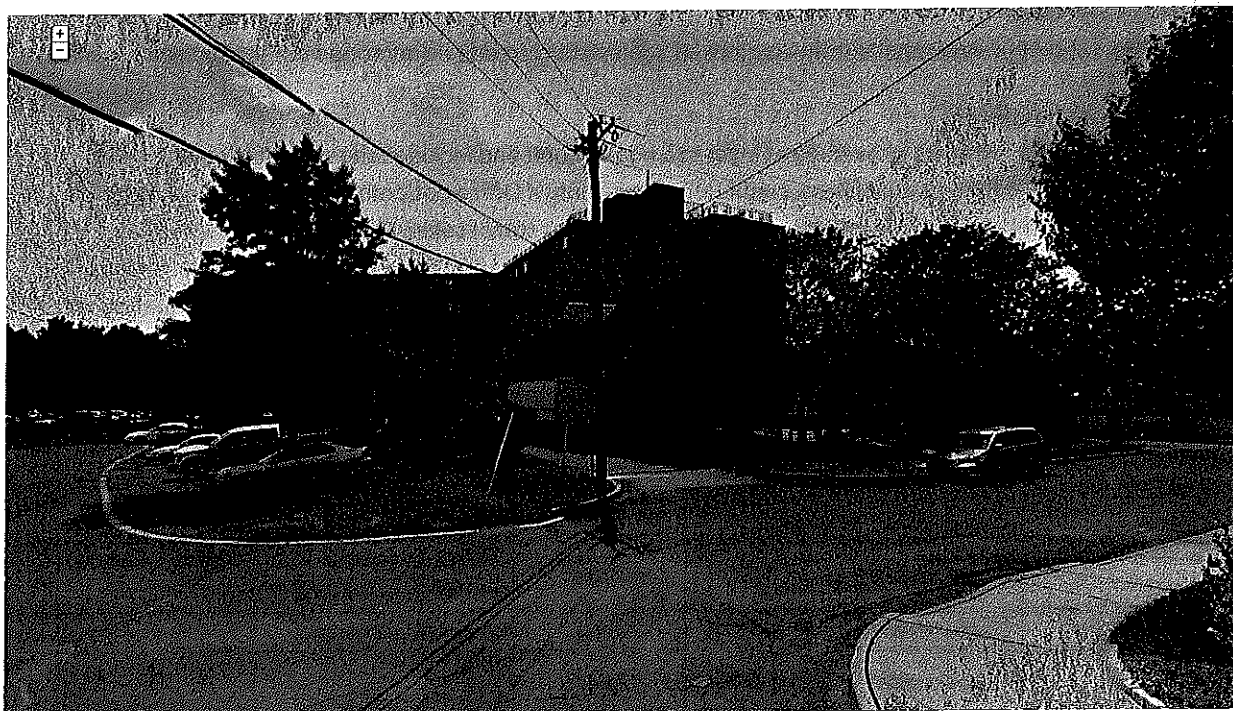
According to HABC's website, the building contains 99 one bedroom units (see image below³⁷). Furthermore, the

³⁵ A major system is defined by COAH as the primary structure, mechanical, plumbing, electrical, fire protection or occupant service components of a building, which include but are not limited to – weatherization, roofing, plumbing, heating, electricity, lead paint abatement or load bearing structural systems.

³⁶ Fax from Barbara Ruzanski, Secretary Bergen County Home Improvement Program, received on August 27, 2013.

³⁷ Image courtesy of Google maps.

income limits are \$31,850 for a one person household and \$36,400 for a two person household.¹⁸ However, the HUD rules state that the rent is only allowed to be 30% of a tenant's income. Therefore, if a tenant only receives \$10,000 a year in income, they pay HABC \$3,000 or \$250 a month. The building was dedicated in 1983, constructed with HUD funding. HUD's guidelines require that the facility accept two types of tenants – those age 62 and older and disabled persons; therefore, the building is not age-restricted. At the present, roughly 10% of tenants are non-senior disabled.¹⁹ Finally, HUD's rules mandate that the 99 rental units' affordability controls are perpetual.



COAH has a special category for developments constructed between 1980 and 1986 – Prior Cycle Credits. Prior Cycle Credits is defined by COAH as a credit granted by the Council for eligible low and moderate income units that were constructed on or after April 1, 1980 and before December 15, 1986. N.J.A.C. 5:97-4.2 outlines the requirements for Prior Cycle Credits. A housing unit created during the aforementioned time period is eligible for one credit when it has been developed specifically for households whose income does not exceed 80% of the median income and the unit was governed by controls on affordability that are not less than 20 years. Roche Apartments meets the timeframe requirement, has perpetual affordability controls and is occupied by low and moderate income tenants. Therefore, Roche Apartments meets the criteria for Prior Cycle Credits.

Based on the aforementioned information, Roche Apartments is eligible for **99 Prior Cycle Credits**.

2. Bethesda Lutheran

Bethesda Lutheran Services operates a group home for four persons licensed by the Department of Human Services' Division of Developmental Disabilities.²⁰ The facility is located at 59 Sherwood Road on Block 410, Lot 9.

¹⁸ <http://www.habcnj.org/buildings.html>

¹⁹ Email from Domingo Senande, Executive Director of Housing Authority of Bergen County, dated September 13, 2013.

²⁰ Email from Linda Brinkman, Area Director of Bethesda Lutheran Communities, dated September 24, 2013.

Bethesda Lutheran Services purchased the home in 2001 and received their initial license to operate in 2003. The property has five bedrooms; however, the fifth bedroom is used for recreation. Therefore, the home's four bedrooms are occupied by four very-low income clients. Based on this information, the Bethesda Lutheran facility is eligible for **four credits**.

3. Community Options

Community Options, Inc. operates a group home for three persons licensed by the Department of Human Services' Division of Developmental Disabilities. The facility is located at 186 Knickerbocker Road on Block 616, Lot 8. Community Options purchased the home in 1998. The property has three bedrooms, occupied by three clients. Clients are age 18 or older. Based on this information, the Community Options facility is eligible for **three credits**.

4. ARC of Bergen & Passaic County at 261 Depew Street

ARC (Association of Retarded Citizens) of Bergen and Passaic County operates a licensed group home for five very-low income clients. The home is located at 261 Depew Street on Block 918, Lot 16. ARC bought the property in 1996. The group home is licensed by the Department of Human Services' Division of Developmental Disabilities. Clients are age 18 or older. Based on this information, the ARC facility is eligible for **five credits**.

5. Saint Mary's Senior Residence, Inc.

In January of 2010 Dumont's newest affordable housing complex opened. Saint Mary's Senior Residence, Inc. is located at 258 Washington Avenue on the site of a former church convent. The 43,694 square foot, 4 story building offers rental units for residents ages 62 and older. Totaling \$10.4 million to build, the project was made possible by the collaboration between the Domus Corporation (the housing arm of the Archdiocese of Newark), the Borough of Dumont, the County of Bergen and the US Department of Housing and Urban Development.²¹

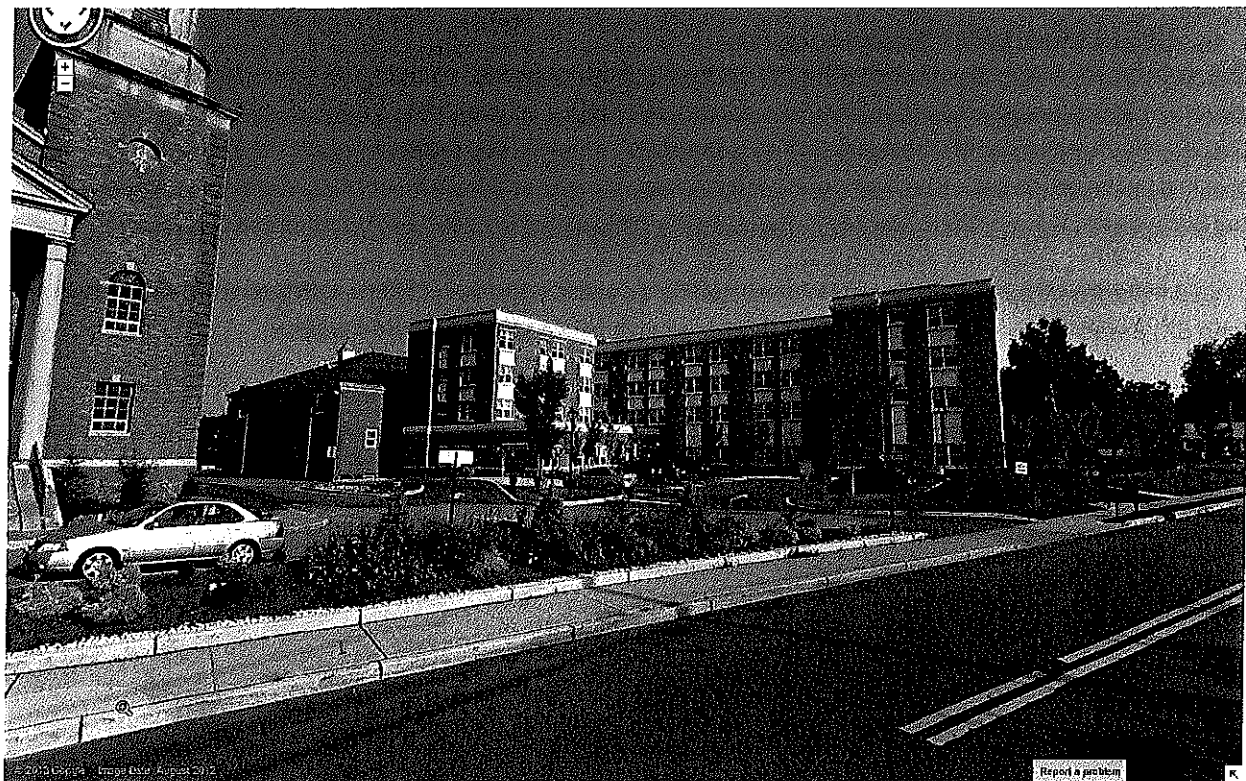
The 49 one-bedroom apartments are deed restricted for 40 years. (Images of the new structure are shown on page 37.²²) Based on this information, Saint Mary's is eligible for **49 age-restricted credits**.

²¹

http://www.northjersey.com/news/88330272.New_senior_housing_complex_officially_dedicated_in_Dumont.html?c=y&pag

²²

Images courtesy of Google maps.



6. Schraalenburgh Senior Housing

Penwal Affordable Housing Corporation operates 94 W. Schraalenburgh Way and 95 E. Schraalenburgh Way, which are referred to as the Dumont Senior Housing complex. 94 W. Schraalenburgh Way is referred to as Block 1217, Lot 4 and is owned by the New Jersey Housing and Mortgage Finance Agency (hereinafter "HMFA") according to the tax card. HMFA acquired the parcel in 1995, prior to that property was owned by Penwal Affordable Housing Corporation for roughly a year. The Borough of Dumont was the owner from August of 1993 until it sold the property in August of 1994 to Penwal.²³

A three story building containing 24 age-restricted apartments occupies 94 W. Schraalenburgh Way. See the image below of the property.²⁴



95 E. Schraalenburgh Way is located on Block 1218, Lots 1 and 2 and is owned by Penwal Affordable Housing Corporation according to the tax card. The lot contains a three story building with 16 age-restricted apartments as well as the Dumont Senior Center. See the image on page 39.

94 W. Schraalenburgh Way and 95 E. Schraalenburgh Way were built in 1995 and received a CO on May 12, 1995. The properties offer a total of 40 age-restricted rental units. The development has a 45 year deed restriction, which began in 1995. The units are moderate income. This facility is eligible for **40 age-restricted credits**.

²³ http://tax1.co.monmouth.nj.us/cgi-bin/prc6.cgi?&ms_user=glou&passwd=data&srch_type=o&adv=o&out_type=3&district=0201

²⁴ Image courtesy of Google maps.



Proposed Mechanisms

Rehabilitation Mechanisms

According to COAH, Dumont has a 31 unit rehabilitation obligation. The Borough has a total of 7 existing rehabilitation credits, all of which were completed through the Bergen County Housing Improvement Program. Dumont proposes the following mechanisms to satisfy the remaining 24 unit rehabilitation obligation.

1. Saint Mary's Senior Residence

N.J.A.C. 5:97-6.2, entitled "Rehabilitation", states units, which are eligible to receive new a construction credit, may be used to address a Town's rehabilitation share. Dumont has a surplus of age-restricted units; therefore, this plan proposes to utilize a portion of the age-restricted new construction units at Saint Mary's Senior Residence to address the outstanding rehabilitation obligation. A total of 22 of the project's 49 credits shall be used to address the rehabilitation obligation.

2. Bergen County Housing Improvement Program

In addition to the new construction credits, the Borough will continue to encourage residents to utilize the Bergen County Housing Improvement Program. It is anticipated that 2 homes will be rehabilitated through the program between now and December 2018.

See the table on page 40 that illustrates how the Borough intends to satisfy the Rehabilitation obligation.

EXISTING & PROPOSED REHABILITATION CREDITS				
Project	Credit Type	Credit	Bonus	Total
Rehabilitation				
Bergen County Housing Improvement Program	Rehabilitation	7	-	7
BC Housing Improvement Program	Rehabilitation	2		2
Saint Mary's Senior Residence	New Construction	22		22
Rehabilitation Total				31
Yellow Highlight Denotes Proposed Mechanisms				

Prior Round Mechanisms

1. David F. Roche Apartments

Roche Apartments qualifies as Prior Cycle Credits and is eligible to receive one credit for each unit, which may be applied towards the PRO. Therefore, 34 of the development's 99 units are allocated to the PRO.

EXISTING & PROPOSED PRIOR ROUND CREDITS				
Project	Credit Type	Credit	Bonus	Total
David F. Roche	Prior Cycle (Rental)	34	-	34
Prior Round Total				34
Yellow Highlight Denotes Proposed Mechanisms				

Third Round Mechanisms

1. David F. Roche Apartments

Roche Apartments qualifies as Prior Cycle Credits and is eligible to receive one credit for each unit applied towards the Growth Share Obligation if the controls on affordability are in place through December 31, 2018. The controls on affordability are perpetual for the complex; therefore, it qualifies for one credit per unit. However, the Borough can only apply eight credits to the GSO due to the family housing requirements.

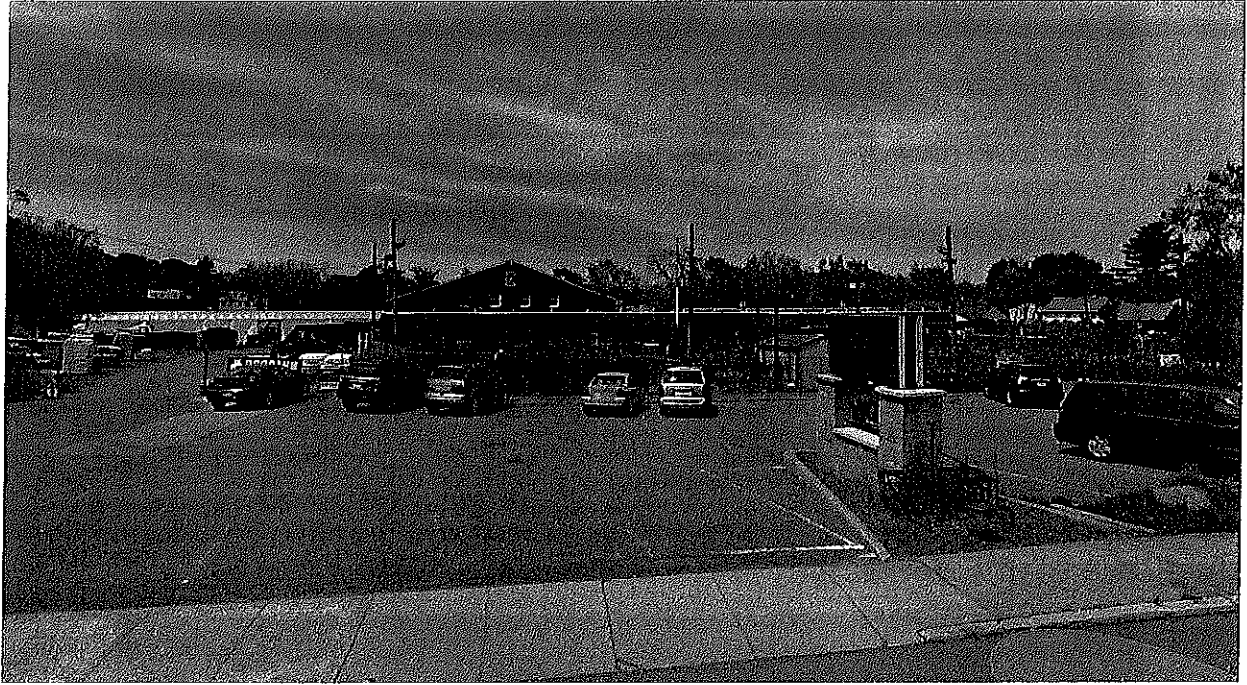
2. Bethesda Lutheran

Bethesda Lutheran Services operates a group home for four persons licensed by the Department of Human Services' Division of Developmental Disabilities.²⁵ The facility is located at 59 Sherwood Road on Block 410, Lot 9. Bethesda Lutheran Services purchased the home in 2001. The property has five bedrooms; however, the fifth bedroom is used for recreation. Therefore, the home's four bedrooms are occupied by four clients. All four clients are very low income residents. Based on this information, the Bethesda Lutheran facility is eligible for **four credits**.

3. D'Angelo Farm Inclusionary Development

D'Angelo Farm consists of two properties along Washington Avenue. Block 212, Lot 20 contains the greenhouses and is the larger of the two properties with approximately 6.09 acres. (See image on page 41, which shows the

²⁵ Email from Linda Brinkman, Area Director of Bethesda Lutheran Communities, dated September 24, 2013.



greenhouses and retail building.²⁶) Block 215, Lot 1 is located across the street at the intersection of Washington Avenue and Essex Place. Lot 1, shown at the bottom of page 41, is vacant and encompasses roughly one acre.²⁷ D'Angelo Farm has been a fixture of the Dumont community since 1923. However, the current owners closed the garden center at the end of October due to competition from surrounding big box stores.²⁸ This document proposes to rezone D'Angelo Farm to permit an inclusionary multi-family development. The properties have access to public water and sewer and are also walkable to transit. There are three New Jersey Transit bus lines that stop at the intersection of Essex Place and Washington Avenue – 167 (connects to Port Authority Bus Terminal in New York), 177X (express bus that connects to the Port Authority Bus Terminal) and the 186 (connects to George Washington Bridge Bus Station).

The Borough proposes to create a new zone that would permit an inclusionary development at a density of 12 units to the acre, but require a 20% set-aside for affordable family units. COAH's rules, specifically N.J.A.C. 5:97-6.4, requires a municipality to provide a presumptive minimum density of 12 units per acre and a presumptive maximum affordable housing set-aside of 20% of the total number of units in the development. This new zone would allow for approximately 84 total units to be constructed, of which, 17 would have to be affordable units. This mechanism could produce up to 17 credits and multiple bonus credits.

A preliminary draft ordinance is attached to the petition, which will be further refined by the Borough Land Use Board and Council in 2014.

4. Market to Affordable: Rental

The Borough of Dumont is proposing to create a market to affordable program, which would take advantage of the existing rental market within the Borough. According to the 2010 Census, the Borough had 1,721 renter-occupied households, which composed 27.0% of all households. The 2010 ACS 5 Year Estimates indicate that Dumont's median rent was \$1,194 in 2010. Only 18.4% of renters paid less than \$1,000 a month in rent according to the 2010 ACS estimates.

COAH's 2011 Illustrative Rents for Region 1 (most recent available), where Dumont is located, permitted a gross rent of \$937 and a net rent of \$784 for a one-bedroom moderate unit (60% of median income) and a gross rent of \$1,124 and a net rent of \$926 for a two-bedroom moderate unit. Comparing this information to the 2010 estimates, the gross rent of a two-bedroom unit is slightly less than the median rent.

There are a total of 24 properties that contain market-rate rental complexes within the Borough of Dumont. These properties comprise 760 market-rate rental apartments. The chart on page 44 shows each of the properties and notes the block, lot address, development name (if known) and number of apartments. The apartment complexes range from converted single-family homes to garden apartment complexes to three story buildings. The images on page 43 show the typical two-story garden apartment style that is prevalent throughout the Borough. The top image is Birchwood Gardens, while the bottom image is Dumont Terrace Apartments, the largest complex within the municipality.

As there are over 700 apartments within the municipality, the Borough should have no problem finding and converting one unit from a market-rate unit to an affordable unit. Dumont understands that the unit will need to

²⁶ Image courtesy of Google maps.

²⁷ Ibid.

²⁸ http://www.northjersey.com/dumont/End_of_an_era_as_Dumonts_DAngelo_Farms_closes_citing_big-box_competition.html?c=y&page=1

